

Organic Perspectives

Special Edition: Market Trends and Opportunities

Volume 7, Issue 6

November/December 2004

Next Newsletter in January 2005

This edition is dedicated to recent news on the international organic issues and markets. For further information, contact Angela Thomas, (202) 720-1533, Angela.Thomas@fas.usda.gov.

USDA Awards \$4.6 Million in Grants for Organic Agriculture Projects

The U.S. Department of Agriculture announced \$4,614,980 in grants for 11 projects in six states that will strengthen the Integrated Organic Program (IOP). The Cooperative State Research, Education, and Extension Service (CSREES) manages the IOP in collaboration with partners at universities, non-profit organizations and the organic industry through its many state partners. The IOP supports research, Extension and higher education programs to help organic farmers incorporate new technologies into their operations and to develop innovative marketing strategies.

Source: For a copy of the USDA's press release and a complete list of grants awarded, visit http://www.csrees.usda.gov/newsroom/releases/organic_agproject.html

U.S. Organic Export Initiative (USOEI)

The United States Organic Export Initiative (USOEI) is a program sponsored by Organic Trade Association (OTA) to promote U.S. organic exports to the worldwide market. A sample of USOEI programs include:

- Organic pavilions at international trade shows
- Buyers missions where international buyers are invited to the U.S. to meet with U.S. organic suppliers
- Export educational programs
- U.S. organic market educational pieces for foreign buyers
- OTA Export Directory on-line
- industry advisory committee

The USOEI is funded by FAS and identifies creative approaches and activities to promote exports of U.S. organic products including trade shows like "All Things Organic" and "BioFach" in Germany.

Source: For more information visit <http://www.ota.com/>

Organic Trade Association forms Coffee Council

The OTA Board of Directors approved the establishment of OTA's Coffee Council. The council will seek to promote the high standards of third-party certified organic coffee, and will engage in activities to help educate the public and policymakers about organic coffee. Membership in the council is open to organic coffee growers, importers, roasters, retailers, allied organizations, and any company supportive of the council's mission and goals.

For more information, go to <http://www.ota.com/about/sectorcouncils.html> or contact tyoung@ota.com.

INSIDE THIS ISSUE

- 1 **USDA Awards \$4.6 Million in Grants for Organic Agriculture Projects**
- 2 **U.S. Organic Export Initiative**
- 3 **Organic Trade Association forms Coffee Council**
- 4 **Surge in Organic Pet Food Sales**
- 5 **Opportunity for U.S. Organic Products in Greece**
- 6 **Highlights from Natural Products Expo East/Organic Products Expo-BioFach America**
- 7 **Survey Finds Americans Continue to Try Organic Products**
- 8 **USDA News**

Surge in Organic Pet Food Sales

The organic food market is growing, but perhaps a surprising fact is the growth in sales of organic pet food. Over the past year organic pet food sales have risen by 63 per cent according to OTA. In spite of the increase, the total organic pet food market is still only at \$14 million in sales and remains a small part of the total pet food market. Manufacturers are developing pet food products that are following trends apparent in the human food industry, including trends towards health and nutrition awareness by launching additive-free, and vitamin- and mineral-enriched, functional pet food.

Source: USA Today <http://www.usatoday.com/>.

Opportunity for U.S. Organic Products Greece

The organic production sector in Greece is not expanding as rapidly in comparison to the other European Union member countries. The area used for organic farming in Greece was 35,780 square km in 1993, while in 2002 it was 47,410 square km, most of which was olives. In 2011, the Ministry of Agriculture has projected a target for total cultivated land with organics to reach 5 percent. Greece boasts 35 percent of consumers with higher income and better education who would buy organic products if they could find a complete range of products. The Greek market provides good potential for U.S. products, particularly in the retail and the hotel retail industry market.

Source: To read the full report on Greece, please refer to [GR4027](#).



Highlights from Natural Products Expo East/Organic Products Expo-BioFach America

More than 20,000 industry members and retail buyers convened in Washington, DC over the weekend of October 14-17, 2004, for the annual Natural Products Expo East/Organic Products Expo-BioFach America tradeshow. Attendees from 72 countries navigated more than 1,700 exhibits, representing over 1,100 companies. This year marked the second annual Organic Products Expo-BioFach America show. Highlights of the show included:

- The Expo Retail Resource Center offered free, personalized advice from experts in a variety of key areas for retailers;
- The Retail Business Strategy Workshops focused on retailing concepts, staffing solutions and Internet business growth strategies, and
- The inaugural Fresh Ideas Organic Farmers Market that featured organic products from East Coast growers and producers.

Source: For more information, visit <http://www.expoeast.com>.

Survey Finds Americans Continue to Try Organic Products

More than half (54 percent) of Americans have tried organic foods and beverages, and nearly one in 10 use organic products regularly or several times per week. According to a just-released nationwide survey commissioned by **Whole Foods Market**, the world's leading natural and organic foods supermarket, the survey results echo national sales trends of organic foods sales.

The survey also revealed that two-thirds of organic shoppers (68 percent) are primarily seeking fresh organic fruits and vegetables despite wider variety throughout all aisles.

Overall sales and the numbers of Americans who eat organic food are increasing despite the fact that prices are often higher.

To read more about the survey results, visit http://www.wholefoodsmarket.com/company/pr_organicsurvey.pdf

USDA News

FAS Organic Products Web Site

The FAS Organic Products Web site at <http://www.fas.usda.gov/agx/organics/organics.html> offers constant updates in the "Hot Markets" section. Visit the page frequently for the latest news!

The most recent [FAS international reports on organics](#) markets and issues includes:

- [European Council adopts Organic Action Plan](#)
- [Russian Federation Exporter Guide Update](#)
- [Greece Exporter Guide Annual 2004](#)
- [Italy Exporter Guide Annual 2004](#)

FAS will continue to gather useful and informative data on these markets and will keep you informed as it becomes available.

Trade Show 2005 Spotlight

BioFach Germany (Nuremberg, February 24-27, 2005)

It's that time again. The FAS Trade Show Office and the FAS Office of Agricultural Affairs at the American Embassy in Berlin invites you to exhibit your products under the USA Pavilion at USDA-endorsed BioFach 2005 at the Exhibition Centre in Nuremberg, Germany. BioFach, held annually, is the world's largest organic trade show.

For more information on exhibiting at this international event, contact Sharon Cook in the USDA/FAS Trade Show Office at Sharon.Cook@usda.gov or (202) 720-3425.



Upcoming Events

For a complete list of events, visit the FAS Organic Products Web site '[Calendar of Events for the Organic Industry](#)'.

International

- **November 16-18, 2004** – Health Ingredients Europe 2004. Amsterdam, The Netherlands. For more information visit <http://www.hi-events.com>.
- **February 24-27, 2005** – BioFach. Nuremberg, Germany. For more information visit <http://www.biofach.de/main/page.html>.
- **May 7-10, 2005** – International Organics and Agroecological Products Fair. Sao Paulo, Brazil. For more information visit <http://www.franca.com.br>.

Domestic

- **March 17-20, 2005** – Natural Products Expo West. Anaheim, CA. For more information visit <http://www.naturalproductsexpo.com/>.
- **April 30 – May 3, 2005** – All Things Organic (OTA). Chicago, IL. For more information visit <http://www.organicexpo.com/>.

Additional Resources:

- ❑ FAS, **AgExport Services Division's Organic Page** <http://www.fas.usda.gov/agx/organics/organics.html>
- ❑ **National Organic Program** Web site - <http://www.ams.usda.gov/nop>

Written and edited by USDA-FAS-AGX Staff:

Angela Thomas, Tel: (202)720-1533 Fax: (202) 690-0193

E-mail: Angela.Thomas@fas.usda.gov



Editor's Note: As publishers of *Organic Perspectives*, USDA-FAS AgExport Services continuously strives to maintain a partnership with the organic food community by sharing information and providing export assistance through our many export program services. For more information on how we might support your company in establishing opportunities abroad, please contact us at (202) 720-1533.